

INTRODUCTION

This is the sixth year of the County's "*Montgomery Measures Up!*" initiative and its focus on reporting the performance of selected County programs and program elements using a "family" of measures – input, output, outcome, service quality, and efficiency measures. *Montgomery Measures Up!* is a comprehensive attempt to clearly define what we are seeking to achieve for the community and then to measure our progress in achieving it. With leadership from the County Executive, the Chief Administrative Officer, and the County Council, *Montgomery Measures Up!* is part of an ongoing, long-term effort to make performance measurement and a focus on results an integral part of the way Montgomery County allocates its resources, manages its programs, and reports its progress and achievements.

It is essential that we know and report not only what we are doing and how much we are spending, but also *how well* we are doing. In what some are calling "The Age of Information," data on performance have become the lifeblood of management. The rapid advances in computers and technology have accelerated and facilitated this process, while at the same time intensifying the need. Today, performance data are essential for the effective, efficient production of services and products, whether by the public or the private sector. Montgomery County's Vision Statement and Guiding Principles underscore this focus by emphasizing the need for efficient, effective, and responsive government, quality service, customer satisfaction, and accountability. A comprehensive system of performance measures is indispensable if the County is to ensure continued and timely progress toward meeting these expectations. Indeed, there is a great deal of evidence to support the observation that results improve when progress is measured.

At the same time, citizens are becoming increasingly concerned about what they are getting for their tax dollars. The *Montgomery Measures Up!* initiative and the family of measures approach address that need as well. By providing information on community outcomes and program performance, we can contribute to the public's understanding (and hopefully, support) of the "business of government" – what we do and how well we do it. Montgomery County citizens deserve and will benefit from having coherent, comprehensive information on how their tax dollars are used.

The audience for performance information in Montgomery County is a diverse one. It includes program managers and staff, senior County management, elected officials, and a variety of interested citizens and citizen groups. To address the needs of these varied groups for information on the performance of the County's programs and services, the County utilizes a *family of measures* – the inputs, outputs, efficiency, service quality, and outcomes associated with a given program or part of a program (a "program element"). These are also referred to as *program measures* because they focus on specific programs at the department and division level (rather than organizational units or cost centers). Because the information inherent in the family of measures tends to be especially sensitive to operating practices and management decisions, the family of measures is particularly well suited to the needs of program managers and staff.

However, at the *departmental* level, program measures by themselves are often insufficient to capture the degree to which the overall mission of the department is being achieved. Several departments have observed that the family of measures' focus on the outcomes of individual programs and program elements is often too fragmented or incomplete to capture the breadth and scope of a department's mission and how well it is being achieved. (This is especially true during the process of implementing the family of measures, when most departments are only reporting on a few of their major programs.) Thus, *departmental outcome measures* can involve program measures *and* community outcome measures – indicators of conditions for the community as a whole.

Managers in Montgomery County have been collecting and utilizing great quantities of information for years. In many ways, the *Montgomery Measures Up!* initiative merely involves synthesizing, refining, organizing, and – in some cases – supplementing these data to facilitate their use by managers at all levels. Indeed, regular (periodic) performance measurements can be used to:

- Improve services;
- Enhance operational planning and control;
- Provide information for more effective decision making (including resource allocation);
- Strengthen managers' focus on results vs. costs and workload;
- Facilitate continuous improvement;
- Support program advocacy;
- Document and publicize department accomplishments;
- Provide a basis for benchmarking County services with those of other jurisdictions;
- Improve communication of the results of programs and services to management, elected officials, and the public;
- Strengthen accountability; and
- Justify budget needs.

Montgomery Measures Up! is designed to provide departments with a powerful tool to help the County achieve its vision of “efficient, effective and responsive government that delivers quality services.” The implementation and use of performance measures – community outcomes and the family of measures – constitute an important goal for both the County Executive and the County Council. Indeed, the regular measurement, reporting, and *use* of performance measures by County departments and programs is expected to play a key role in managing the County as we move into the 21st century.

HOW TO READ THE PROGRAM MEASURES PAGES

Each of the program measures displays presents measurement data for an individual program or an element of a program. The measures and other data contained in a program measures display provide a comprehensive overview of the given program (or program element) so that the linkage among the different measures can be seen in relation to the program's mission.

Actual performance data for the program or program element are displayed for FY01, FY02, and FY03. The FY04 BUDGET column shows projected results based on the approved FY04 budget, although in a few instances departments have used updated estimates of FY04 performance mid-way through the year (signified by the FY04 ESTIMATE column heading) rather than budget projections. FY05 performance projections (the FY05 CE REC column) assume a budget at the County Executive's recommended FY05 level. Because the County's accounting system does not track expenditures by program, it is often difficult to determine the actual expenditures by a program or program element in any given fiscal year. In those cases where actual program expenditures are not available, the amount originally budgeted is used.

Some of the measures shown are new; some of the programs are still developing certain types of measures; and in some cases, prior year or projected results may not be available for some of the measures. "NA" indicates that the results for a given program measure are not available for that year, while "TBD" signifies a new measure that is still "to be developed" or an established measure that cannot be reported at this time because of delays in the receipt of relevant information (e.g. the need to wait for data from the State of Maryland). "TBD" reflects a commitment by the department to provide results for the given program measure for the year shown.

The main section of this report focuses on program measures displays for individual departments and their programs. Departments are presented alphabetically, and within a department displays are arranged alphabetically by program and then by program element. Appendix I describes some of the multi-departmental programs – programs that involve several departments or outside agencies – covered by program measures displays. Many of these programs represent high priorities for the County Executive. Appendix II provides some conceptual background on the measurement of government programs and services using the family of (program) measures.

DEFINITIONS

Program: This identifies the departmental program being measured. A full description of these programs can be found in the departments' sections of the Recommended FY05 Operating Budget and Public Services Program.

Program Element: In some cases, a departmental program is so all-encompassing that a more manageable part of the program must be used; this is referred to as a program element.

Program Mission: A broad statement of the purpose of a departmental program or program element – what the program is intended to accomplish, why it is being undertaken, and for whom it is undertaken (in other words, the reason for the program's existence).

Community Outcomes Supported: Broadly stated effects on the community as a whole. They may be the result of programs from several governmental organizations, as well as private sector activities.

Departmental Outcomes: The degree to which the overall mission of a department is being achieved. These may include program outcomes for a department's major programs, community outcomes that are especially salient for the given department, and/or outcomes that emerge from the effects of several of the department's programs.

(Program) Outcomes/Results: The direct results of a program or program element on clients, users, or some other target group; the degree to which the program mission is achieved.

Service Quality: The degree to which customers are satisfied with a program, the accuracy or timeliness with which the service is provided, and other measures that focus on the merit of the service delivery *process* itself.

Efficiency: Outputs per unit of input, inputs per unit of output, and similar measures of how well resources are being used to produce goods and services.

Workload/Outputs: The amount of services provided, units produced, or work accomplished (output); or the external demand that drives County activities (workload).

Input: Resources used to produce an output or outcome, such as workyears or expenditures.

Notes: Special considerations and other information relevant to specific measures and/or data in the program measures display.

Explanation: A brief description of the program or program element, explaining the performance information provided by the program measures and its context (external influences, program changes, new initiatives, and other factors needed to interpret the results shown). A graph of a key result is sometimes included.

Program Partners in Support of Outcomes: Governmental departments and agencies and private sector organizations whose activities also affect the program's clients and results.

Major Related Plans and Guidelines: Legislation, planning documents, policy pronouncements, and other documentation that provide direction to program efforts.

Note that one should not place too much importance on how a particular program measure is classified. People (and governments) will sometimes differ on how to label a given measure. One of the key advantages to using a *family* of measures is that regardless of where a particular measure is finally entered on the program measures display, the family of measures format is designed to provide a complete picture of the performance

of the given program or program element. Whether one happens to classify an ambiguous item as an output, outcome, efficiency, or service quality measure is immaterial to most users as long as the information is relevant, important, accurate, and included *some-where* on the program measures display. The goal of *Montgomery Measures Up!* is to provide a comprehensive yet accurate picture of the performance of a program or program element from multiple perspectives, ranging from what it has cost (inputs) to what it has achieved (outcomes) and how efficient it has been in producing those results. This focus must not be lost in worrying about whether a particular measure should be listed under one category or another.